

Educating migrant women in finance

FOREIGN maids here toil for hours every day and often send almost every cent they earn to sustain families back home.

Many have no clue how the money is spent – or whether it is misspent. And often, even though they have worked for years, they do not have any savings of their own.

A research project that kicks off next month aims to change that. Led by Assistant Professor Rashmi Barua of Singapore Management University (SMU), it will study the effectiveness of financial education on foreign maids.

A preliminary survey of about 130 Filipino maids showed nearly 40 per cent had no savings despite working for 10 years on average. Another 30 per cent said they were dissatisfied with their savings. Most had at least a high school diploma and earned about \$370 a month.

More than 70 per cent said they disagreed with their families on how their money was spent at home.

For instance, while many of the women wanted their remittances to be used to pay for “useful” things such as education, their families often squandered the money on entertainment.

Her research, says Dr Barua, aims to find out if studying financial planning will improve the “economic well-being” of these low-income migrant women.

“Financial planning is complicated even for the rich,” says the 30-year-old who specialises in labour and education economics. “For the poor, it is tougher still.”



Dr Barua will lead a research study beginning next month to find out the effectiveness of financial education on foreign maids. ST PHOTO: DESMOND FOO

For instance, women do not confident on management and come makes tions – li much to sav ited. “Which they need education most,” says Dr Barua. The study, first SMU, will have to es. First, Dr Barua team aim to survey about maids to find out how much they mit and save.

About half the women surveyed invited to join financial education that are already conducted by non-profit group serving grants. The aim is to get at least 2 en to complete the classes – held ly over nine months – and track the classes change their financial

Those among the group of 1,4 do not sign up will also be tracked if there are any differences in th tary habits of those who attend those who do not.

Dr Barua said she deliberately pick women who have signed up es of their own volition since they ready “motivated” to learn how age their money better.

SMU will absorb the costs of t es. An evaluation towards the e course will help researchers gaug pact of the classes.

The lecturer, who has a PhD nomics from Boston University, get sponsorship to ensure the sa remittance patterns of these wo be tracked in the long term, to se eventually reach their financial g

Dr Barua hopes the study will practices that hurt the savings of maids. Now, only one major Standard Chartered – allows cu to open savings accounts without mum deposit, she says.

“How can domestic workers be aged to save if they can’t ever bank account, given their mea. These are some issues we hope makers can address,” she adds.

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